

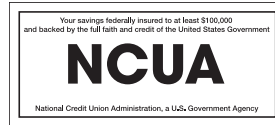
ESTABLISH AN EMERGENCY FUND

Once you establish a strategy to reach your retirement savings goal, it is extremely important that you stick to it. Due to this, you should consider establishing a special savings account to cover emergency or unexpected expenses. The amount in this savings account should equal three to six months of your net family income. These funds would then be available to cover unexpected expenses and, at a minimum, reduce or eliminate the need to use retirement savings when these expenses occur.

YOUR CREDIT UNION CAN HELP

We offer a variety of services to help you reach your retirement savings goal. You can earn attractive yields with our savings accounts and certificates. Plus, you'll have the security of NCUA insurance. IRA accounts are separately insured up to \$250,000. You can also access other investment services through the credit union.

We look forward to assisting you in reaching your retirement savings goal. To review current savings rates and other investment options, visit our Web site.



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THE IMPORTANCE OF RETIREMENT PLANNING



Now is the time to plan for
a rewarding retirement

Plan Now For A Rewarding Retirement

Many people fail to understand the importance of retirement planning. Developing a retirement plan will help you discover the actions you need to take to prepare for a financially secure future. The sooner you begin this planning process, the better. Waiting until you are only a few years away from retirement may not give you the time necessary to accumulate the funds you will need for your retirement years. If you are married, it is important that you include your spouse in every step of the retirement planning process. This will help establish a team approach that is essential for couples to develop a viable retirement plan.

ESTIMATING HOW MUCH YOU NEED TO SAVE

One of the first things you need to do is estimate how much you have saved at various stages in your life. This will help you determine if you are on track for saving the amount you will need. The following worksheet should be helpful in providing a rough estimate of what your saving goals should be. The amount saved at each age would consist of all your savings balances including regular savings, IRAs and 401(k) plans and other investments.

WHERE DO YOU STAND?

If You Are Age ...	Enter Your Current Income And Multiply It By ...	To See How Much You Should Have Saved By Now ...
45	\$ _____ X 4.1 =	\$ _____
50	\$ _____ X 6.1 =	\$ _____
55	\$ _____ X 8.5 =	\$ _____
60	\$ _____ X 11.4 =	\$ _____

Notes: Assumes 80% pre-retirement income replacement, including full Social Security; no pension; 4% annual real rate of return; 4% inflation-adjusted distribution rate; and 30-year life expectancy in retirement. Source: Charles J. Farrell, J.D., LL.M., is an investment advisor with Northstar Investment Advisors in Denver, Colorado.

HOW TO KEEP ON TRACK

If your savings total is on track, you are in great shape. Keep doing what you have been doing. If your savings is less than it should be, don't panic. Instead, take the actions necessary to accumulate the amount you will need. You should review your monthly budget to determine steps you can take to increase the amount you are saving. Your goal should be to "Pay Yourself First" each and every month. This can be in the form of a deposit to your savings account, IRA, 401(k) plan or other investments. An important point about 401(k) plans: If your employer matches a portion of your contribution, you should contribute the maximum

amount that will be matched. That's like getting **free money** and the opportunity should not be wasted. And the most important thing is to not procrastinate. Procrastination will lead to a savings shortfall, causing your retirement years to be less enjoyable than you intended.

REVIEW YOUR PROGRESS OFTEN

It is also essential that you review your savings and investment totals frequently to make sure you are on track to reach your retirement savings goal. This will allow you to make adjustments as necessary. You should make a comprehensive review of your retirement savings annually. One suggestion is to do this at the time you receive your annual statement from the Social Security Administration. Individuals age 25 and older receive an annual statement about three months before their birthday. That is a good time to reflect on where your retirement plan is and actions you need to take to prepare for a financially secure retirement.

